



Ordinance Number 538
Revised

**AN ORDINANCE ESTABLISHING A PENSION PLAN TO BE KNOWN AS
THE "ELSMERE POLICE SECONDARY PENSION PLAN"**

Sponsored By: 1st District Councilman John Jaremchuk Jr.

First and Second Reading: August 04, 2011

Results: Passed 7 In Favor, 0 Opposed

Third and Final Reading: August 11, 2011

Results: Passed 6 In Favor, 0 Opposed with 1 Absent

Ordinance Number 538

Revised

AN ORDINANCE ESTABLISHING A PENSION PLAN TO BE KNOWN AS THE "ELSMERE POLICE SECONDARY PENSION PLAN"

WHEREAS, the Mayor and Council have closed the Elsmere Police Pension Plan; and

WHEREAS, the Mayor and Council have enrolled all of the police officers actively employed on June 30, 2011 into the State of Delaware's County & Municipal Police & Firefighters' Pension Plan; and

WHEREAS, the Mayor and Council now wish to establish a pension plan for police officers hired after July 01, 2011.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF
THE TOWN OF ELSMERE,**

That the Mayor and Council that the following actions be taken;

1. THE PLAN:

There is hereby created a 401 (a) pension plan to be known as the "Elsmere Police Secondary Pension Plan" as detailed in the attached documents entitled;

- a. Adoption Agreement No. 2, dated August 04, 2011.
- b. Base Plan Document No.2, dated September 22, 2010

2. EFFECTIVE DATE:

The plan shall become effective on September 01, 2011.

3. ADMINISTRATOR:

The person or entity responsible for the day-to-day operation of the Plan shall be the Elsmere Police Pension Committee. The entity responsible for the overall administration of the plan shall be:

The Mayor and Council
of the Town Of Elsmere
11 Poplar Avenue
Elsmere, DE 19805
(302) 998-2215

4. THE ELSMERE POLICE PENSION COMMITTEE:

(a) The Mayor and Council (the employer) is empowered by this ordinance to appoint and remove a committee which shall be known as the Elsmere Police Pension Committee and shall consist of:

- (1) A Chairperson who shall be selected by the remainder of the Committee for a two-year term who may not be (a) a member or employee of the Town of Elsmere, or (b) an elected or appointed official of the Town of Elsmere, or (c) a member of the immediate family of anyone participating in the plan;
- (2) The Mayor of the Town of Elsmere, or their designee;
- (3) A Councilmember designated by the Council of the Town of Elsmere;
- (4) Two residents of the Town of Elsmere; one chosen by the Council of the Town of Elsmere and one chosen by the Police Representatives both for a two-year term and neither of whom may be (a) members or employees of the Town of Elsmere, (b) appointed or elected officials of the Town of Elsmere, or (c) members of the immediate family of anyone participating in the plan.
- (5) Two Police Representatives, one who shall be an active officer employed after July 01, 2011. The second to be a retired officer who is and has been receiving a pension from the Restated Elsmere Police Pension Fund prior to July 01, 2011.
- (6) Advising the Committee as non-voting members will be the Solicitor of the Town of Elsmere or their designee and the Investment Manager. The Committee shall meet from time to time as it deems necessary for the proper administration of the Plan.

5. PARTICIPATION:

Officers hired after July 01, 2011 must participate in the plan as a condition of employment and must contribute 7.5 % of their base pay as a participant contribution.

August 04, 2011
First and Second Reading

August 11, 2011
Third and Final Reading

Deborah A. Norkavage, Mayor

Joann I. Personti, Secretary

Approved as to form:

Town Solicitor

SYNOPSIS
ORDINANCE 538
Amended

This Ordinance establishes the Elsmere Police Secondary Pension Plan. The new plan will be a Defined Contribution Plan.

Fiscal Impact:

This Ordinance will increase the amount of funds the Town contributes to a police officer's pension from the current 6% of base salary to 7.5% of base salary. However, by being a defined contribution plan, the Town will not be responsible to the participants in this plan for the plans rate of return or amount of benefit paid to the participants at their retirement.